

Identification of the Area

Name or Designation:

Renton/Tukwila

Area 70

Boundaries: Area 70, Renton/Tukwila includes that area beginning at the intersection of S 208th Street and Interstate 5. The southerly boundary begins at this intersection and follows and/or approximates S 208th Street easterly to the line separating Ranges 6 and 7. The boundary then follows the Range line north to meet SE 136th Street and proceeds westerly along the mid-section line to meet I-405. Turning northerly, the line follows the I-405 freeway to NE 12th Street, then turns westerly to cross Lake Washington and proceeds to 84th Avenue South. Following the line between ranges 4 and 5, the boundary turns south to SR 900. The boundary follows SR 900 northwesterly to I-5, turns southerly and follows I-5 to its intersection with the SE 1/4 of Section 15-23-4. The boundary then resumes following 1/4 Section lines: along S 136th Street, west to 42nd Avenue South, south to S 160th Street, east to 51st Avenue South and south to join S 192nd Street, near Interstate 5. Then finally the line follows Interstate 5 to its intersection with S 208th Street to complete this description

The area physically inspected for 2002 is identified as area 70-40 on the map included in this report. This sub-area includes all property in the Downtown area of Renton. This neighborhood extends from Lake Washington to the north to SW 7th Street to the south and from Rainier Avenue on the west to Interstate 405 on the east.

Maps:

A general map of the area is included in this report. More detailed Assessor's maps are located on the 7th floor of the King County Administration Building.

Area Description:

Area 70 encompasses the major portions of the municipalities of Renton and Tukwila, the unincorporated areas of Skyway and Bryn Mawr and extends easterly to include Fairwood and Mirrormont. This is a large area geographically. The major commercial development is situated in the Renton/Tukwila area. Community commercial areas are located throughout Area 70, as in Fairwood. Smaller, neighborhood commercial areas are scattered throughout the entire area.

The City of Tukwila is home to our area's largest regional shopping mall, Southcenter. This center attracts consumers from Everett to Olympia. The area surrounding Southcenter is in transition. Originally, most of this area was developed with mainly warehousing/distribution buildings due to the advantageous proximity to I-5 and I-405. The area from Southcenter and extending south to approximately South 180th Street is

considered the 'Tukwila Urban Center'. Several of the large warehouse buildings in this area have been converted to retail use. The construction of several retail and service buildings continues to change the area to a predominately retail use. An aging portion of retail space along Southcenter Parkway (Parkway Plaza) has been refurbished. Several new restaurants and a multi-screen theater have been constructed. The remodel of and the new construction around this center may slow the conversion of warehouse buildings to retail use. The obsolete single screen theater, 'Southcenter Theatre' will be demolished to make way for a new 'Bahama Breeze' restaurant. This area continues to thrive and reinvent itself.

The city is looking to the future with the recommendations from their Strategic Economic Development Task Force. Tukwila is taking steps to adopt a more pro-business environment. The city has a small residential population and the city is looking to provide more attractive and affordable housing.

The oldest section of the City of Renton lies within area 70. There has been much activity in the downtown area. The city has constructed a Regional Transit Center and Piazza in the downtown area. The joint King County/City of Renton Regional Transit Center project began construction last August. The new Renaissance apartment/retail complex with under building parking is complete and two similar projects, Metropolitan Place and Burnett Station, are also complete. These projects are designed to transform downtown Renton into a modern urban village. Also included in Renton's redevelopment plan is the \$1.5 million performing arts center, located east of Renton High School. Construction is just beginning on this project.

The economic downturn has softened the office market in the South County area. In Renton several proposed projects have been canceled or postponed. Earlier this year, Wright Runstad & Co. decided to postpone plans for 750,000 square feet of office/hotel space on the former Shuffleton Steam plant site on the south end of Lake Washington. The first phase of the apartment portion of this project has begun construction as the Bristol Apartments. Opus Northwest has dropped plans to build a 290,000 square foot office complex called 'Southport'. Also Oakhurst Development Corporation has stopped plans for a 125,000 square foot office building and parking garage in Downtown Renton.

The city of Renton is still very pro-development and downtown revitalization is a top priority.

Several key community stakeholders, the Renton School District, Renton Technical College, Valley Medical Center, the Renton Hotel Industry, have partnered with the City to market Renton. Their theme, 'Renton, Ahead of the Curve' attempts to present Renton as a great place to work, live, visit, shop and play.

The main sources of employment in this area appear to be Boeing, Kenworth Trucking, Pacific Car and Foundry, The Federal Aviation Administration, Valley Medical Center and Southcenter.

Preliminary Ratio Analysis

A Preliminary Ratio Study was done in May of 2002. The study included sales of improved parcels and showed a COV of 15.11 %.

The study was also repeated after application of the 2002 recommended values. The results are included in the validation section of this report, showing an improvement in the COV from 15.11% to 9.67%.

Scope of Data

Land Value Data:

Vacant sales from 1/99 to 1/2002 were given primary consideration for valuing land.

Improved Parcel Total Value Data:

Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales were verified, if possible, by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Due to time constraints, interior inspections were limited. Sales are listed in the "Sales Used" and "Sales Not Used" sections of this report. Additional information resides in the Assessor's procedure manual located in the Public Information area of the King County Administration Building.

Land Value

Land Sales, Analysis, Conclusions

Twenty-five land sales have occurred in all of Area 70 from 1/1999 to 1/2002. Seven of these sales occurred since the last lien date of 1/1/2000 and warrant primary consideration in the revaluation of land in Area 70. Sales from 1998 are not considered due to market appreciation.

Sales were analyzed based on zoning, location and lot size. When possible, each neighborhood was valued based on sales within that neighborhood. In the absence of sales in a subject neighborhood, sales from other competing neighborhoods were given consideration.

The recommended land values for the 2002-assessment year (taxes payable in 2003) generates a total change from the 2001 assessments of + 9.44%. The total land assessed value for the 2001 assessment year for Area 70 is \$894,819,300. The total recommended land assessed value for the 2002-assessment year is \$979,273,400. Approximately 58% of the parcels in Area 70 experienced no value change.

A Preliminary Ratio Study was done in January of 2002. The study included sales of vacant parcels and showed a COV of 14.43 %. The study was repeated after application of the 2002 recommended values. The results show an improvement in the COV from 14.43% to 10.07%. The new assessment level is 99.3%. This reflects an improvement over the previous assessment level of 97.7%.

	2001 Ratio	2002 Ratio
Assessment Level	97.7%	99.3%
Coefficient of Dispersion	9.62%	6.49%
Coefficient of Variation	14.43%	10.07%
Standard Deviation	13.68%	9.92%
Price Related Differential	.97%	.99%

The recommended land value ranges for Area 70 by zone and jurisdiction can be found on the table at the end of this section of the report. The following is a discussion of the sales and value analysis for each neighborhood in Area 70:

Area 70-10: Portions of West Renton and North Tukwila

There were no land sales that occurred in the months from 1/1999 to 1/2002 in this area. Comparable land sales from competing neighborhoods indicate that this area is currently at an acceptable assessment level.

This portion of Area 70 includes a part of the northerly section of Tukwila lying south of I-5 and west Renton lying north of I-405.

The commercial properties in this area are located mainly along Interurban Avenue and Southcenter Boulevard in Tukwila and Grady Way in Renton. Commercial values along Grady Way are equalized with those similarly zoned in neighborhood 70-40. This reflects a value range of from \$8.00-\$10.00 per square foot. The property situated along Interurban Avenue is assessed from \$5.00 to \$7.00 per square foot and on Southcenter Boulevard from \$8.00 to \$10.00 per square foot.

Industrial property in this area includes those on Monster Road and the Black River area. Industrially zoned property in this area is assessed from \$5.00 to \$7.00 per square foot.

Multi-Family zoned properties are valued from \$3.00-\$10.00 per square foot. Any adjustments made are primarily to improve uniformity.

Area 70-20: Southcenter/Southwest Renton

The area includes the Southcenter area south to 180th Street and is predominately retail in nature. Currently there are nine land sales that occurred in the months from 1/1999 to 1/2002. Two of these transactions occurred after the previous lien date of 1/1/2001. Comparable land sales from competing neighborhoods indicate that this area is currently at an acceptable assessment level.

Commercially zoned properties are predominately assessed from \$10-\$18 per square foot. Commercial development is active and property with good visibility and traffic exposure is in demand.

There are few Multi-Family or Residentially zoned properties in this area.

The industrial area of southwest Renton is experiencing growth. New warehouse complexes are under construction here. Industrial land is assessed from \$5.00 to \$10.00 per square foot.

Area 70-25: South Tukwila/North Kent

This neighborhood includes the southerly portion of Tukwila and the northerly section of Kent. This neighborhood is comprised of predominately industrial property. There are seven land sales that occurred in the months from 1/1999 to 1/2002 in this area. Just two of these transactions occurred after the previous lien date of 1/1/2001. Comparable land sales from competing neighborhoods indicate that this area is currently at an acceptable assessment level.

Industrially zoned property in the southern portion of Tukwila along with similarly zoned land in the northern portion of Area 65 indicate a range of values of from \$4.00-\$10.00 per square foot.

Commercially zoned land is assessed from \$8.00 to \$18.00 per square foot.

There is no Multi-family or residentially zoned land in this area

Area 70-30: Portion of West Renton

This area begins in the most northerly portion of Renton west of the Renton Airport and continues south along both the easterly and westerly sides of Rainier Avenue to include the southerly part of downtown Renton.

There were three land sales that occurred in the months from 1/1999 to 1/2002 in this area. Just one of these transactions occurred since the previous lien date of 1/1/2001. Comparable land sales from competing neighborhoods indicate that this area is currently at an acceptable assessment level.

The west Renton area south of Grady Way and north of I-405 are properties zoned 'CA' with an Automotive overlay. The City of Renton has designated this area for development in the automotive area such as car repair, dealerships, etc. This area is valued from \$12.00 to \$14.00 per square foot. Commercially zoned property along Rainier Avenue South is valued from \$10.00-\$18.00 per square foot.

Industrially zoned land here is valued from \$5.00 to \$12.00 per square foot.

Multi-family and residentially zoned land is assessed from \$5.00 to \$10.00 per square foot.

Area 70-40: Renton Central Business District

There were three sales that occurred in the months from 1/1999 to 1/2002 in this area. Only one of these sales occurred since the previous lien date of 1/1/2001.

Recent development in the downtown area of Renton has generated most of the land value adjustments in Area 70-40. Some of the recent activity in the downtown area includes the demolition of the VFW hall on Williams Street, which makes way for a condominium complex

and the pending demolition of the Lande's Feed Store, which makes way for an apartment/retail complex. Safeway Stores purchased several parcels surrounding their store on South 2nd Street and redeveloped the site. Now a large Safeway Superstore is situated there orientated to Rainier Avenue South. The previous building has been razed to provide additional parking. Walgreen's acquired several properties on the northwest corner of Rainier Avenue South and S. 3rd Street and constructed a new store. Developer Don Dally purchased the former Good Chevrolet property on Burnett Street and the buildings have been demolished to make way for a new apartment/retail building. While these sales are quite high reflecting the 'assemblage' nature of the transactions, they do suggest an overall increase in land values. Some adjustments may have been made to improve uniformity.

Commercially zoned properties in this area are assessed from \$10.00-\$18.00 per square foot. Multi-Family zoned parcels are generally located in the older sections of Downtown Renton. These parcels are small lots and usually require two or more to develop. There are several new multi-family structures constructed as condominiums in this area. This portion of Renton appears to be increasing in desirability. Multi-family zoned land is assessed mostly from \$8.00-\$12.00 per square foot. The industrial portion of this area is located near the Boeing Plant in the northerly part of 70-40. The industrially zoned land is assessed at from \$7.00 to \$12.00 per square foot.

Area 70-50: Valley Medical Center Area / Benson Highway to Fairwood (and outer ranges)

There were three sales that occurred in the months from 1/1999 to 1/2002 in this area. Only one of these sales occurred since the previous lien date of 1/1/2001.

This is a large area geographically. The highest concentration of commercial properties is situated along Benson Highway (SR 516) and in the Fairwood commercial area. The commercial area surrounding Valley Medical Center is mostly medical offices and apartment complexes. The balance of the area covers large areas of residential and undeveloped land in which the commercial properties are churches, schools and fire stations.

Comparable land sales from competing neighborhoods indicate that this area is currently at an acceptable assessment level. Some adjustments may have been made to improve uniformity. The majority of commercially zoned parcels in this area are currently assessed from \$8.00-\$18.00 per square foot. Multi-Family zoned parcels are assessed from \$3.00-\$12.00 per square foot. Residentially zoned properties are equalized with the surrounding residential property and generally range from \$3.00 to \$10.00 per square foot. There are few, if any, industrially zoned properties in this neighborhood.

Property Types	Zone	Neighborhoods			
		70-10	70-20	70-25	70-30
		West Renton/North Tukwila	Southcenter/Southwest Renton	South Tukwila/North Kent	West Renton
Industrial Land	Tukwila – C/LI , HI, LI, TVS, MIC/L, MIC/H	\$5.00 TO \$7.00 / SF	\$5.00 TO \$10.00 / SF	\$4.00 TO \$10.00 / SF	\$5.00 TO \$12.00 / SF
	Renton – IH, IM, IL				
	King County – I, IP, IS, M				
	Kent - M1, M1-C, M2, M3, MA				
Commercial Land	Tukwila – O, MUO, RCC, NCC, RC, RCM, TUC,	\$5.00 TO \$10.00 / SF	\$10.00 TO \$18.00 / SF	\$8.00 TO \$18.00 / SF	\$10.00 TO \$18.00 / SF
	Renton – CO, CC, CN, CS, CD, COR, CA				
	King County – CB, NB, OP, OS				
	Kent - GC				
Multi-Family Land	Tukwila – HDR, MDR,	\$3.00 TO \$10.00 / SF	N/A	N/A	\$6.00 TO \$10.00 / SF
	Renton – RM-I, R-14, RM-C, RM-N, RM-U, RMH,				
	King County – R-12, R-24, R-18, R-48				
Residential Land	Tukwila – LDR	\$1.00 TO \$5.00 / SF	N/A	N/A	\$5.00 TO \$10.00 / SF
	Renton – R-1, R-5, R-8, R-10,				
	King County – R1, R-6, R-8, RA-10, RA-2.5, RA-5,				

Vacant Sales Used

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
070	040	569600	0180	4,787	1664743	\$62,000	01/14/99	\$12.95	VACANT COMMERCIAL LAND	CM	1	2	
070	025	362304	9063	275,735	1668308	\$1,100,000	02/17/99	\$3.99	VACANT LAND	M2	1	2	
070	020	334040	3325	99,623	1676381	\$1,460,567	03/31/99	\$14.66	VACANT LAND	CO	1	2	
070	020	334040	3334	102,848	1676385	\$1,460,567	03/31/99	\$14.20	VACANT LAND	CO	1	2	
070	025	631500	0381	113,730	1692317	\$562,000	06/16/99	\$4.94	VACANT INDUSTRIAL	M2	1	2	
070	050	312305	9048	858,367	1708367	\$1,500,000	08/24/99	\$1.75	VACANT LAND (CONDO SITE)	R14	3	2	
070	050	322305	9087	39,295	1710016	\$575,000	09/14/99	\$14.63	VACANT LAND (IMPS TO BE DEMO)	OP	1	2	
070	020	125360	0062	321,987	1727405	\$1,550,000	12/15/99	\$4.81	VACANT LAND	IM	2	2	
070	020	334040	6260	120,809	1733012	\$825,000	01/18/00	\$6.83	VACANT LAND	IM	2	2	
070	030	334040	4225	16,986	1745773	\$200,363	03/24/00	\$11.80	VACANT LAND	CA	1	2	
070	020	334040	3326	196,135	1743918	\$2,373,234	03/30/00	\$12.10	VACANT LAND	CO	3	2	
070	030	334040	4030	32,113	1751215	\$417,500	04/28/00	\$13.00	VACANT LAND	CA	1	2	
070	040	172305	9174	4,750	1752669	\$67,750	04/28/00	\$14.26	BN LEASE 213819 (VACANT LAND)	CA	1	2	
070	020	125360	0010	196,485	1752515	\$1,900,000	05/09/00	\$9.67	VACANT INDUSTRIAL/RETAIL OVERLAY	IH	1	2	
070	025	022204	9011	1,031,057	1752604	\$990,900	05/10/00	\$0.96	VACANT LAND	I	6	2	
070	025	352304	9041	1,824,108	1752605	\$996,100	05/10/00	\$0.55	VACANT LAND	I	4	2	
070	025	012204	9088	325,989	1759381	\$1,000,000	06/07/00	\$3.07	VAC LAND (PREV.CONTAMINATED)	M1	2	2	
070	020	125360	0062	330,975	1788178	\$1,550,000	11/15/00	\$4.68	VACANT LAND(POR WETLAND)	IM	1	2	
070	025	788880	0090	217,207	1795541	\$1,200,000	01/02/01	\$5.52	VACANT LAND	M1	1	2	
070	020	252304	9057	111,949	1807811	\$1,000,000	03/23/01	\$8.93	VACANT LAND	CM	1	2	
070	050	212305	9068	2,870,604	1815260	\$1,200,000	05/01/01	\$0.42	VACANT LAND-(NEW CONDO SITE)	R14	1	2	
070	020	334040	5150	19,120	1821055	\$160,000	05/25/01	\$8.37	VACANT LAND	IM	1	2	
070	040	723150	1825	16,800	1829753	\$250,000	07/09/01	\$14.88	VACANT LAND (MULTI-FAMILY SITE)	CD	2	2	
070	030	866350	0135	19,729	1855294	\$220,000	11/08/01	\$11.15	VACANT LAND	CA	2	2	
070	025	312305	9167	277,042	1855370	\$2,400,000	11/27/01	\$8.66	VACANT LAND	GC	1	2	

Improved Parcel Total Values:

Sales comparison approach model description

The model for sales comparison was based on four data sources from the Assessor's records; occupancy codes, age, condition and size. There were 119 improved sales in Area 70 dating from 1/14/1999 to 2/11/2002 and considered fair market transactions reflective of market conditions. These sales were organized into market segments based on predominate use. Based on a sales analysis, each segment reflected a market price per square foot of net rentable area. These sales price ranges served to establish a general upper and lower market boundary for the various property types within each subject area.

The market segments in Area 70 are generally the following property types with the sales price per square foot of net rentable area:

Property Type	\$/SF Range	Median Sales Price
Smaller Office (- 20,000 SF)	\$62.38 to \$162.20 Per Sq. Ft.	\$108.54 Per Sq. Ft.
Larger Office (+ 20,000 SF)	\$67.47 to \$149.94 Per Sq. Ft.	\$100.64 Per Sq. Ft.
Retail/Mixed Use	\$40.14 to \$275.86 Per Sq. Ft.	\$103.71 Per Sq. Ft.
Warehouse/Industrial	\$42.13 to \$151.05 Per Sq. Ft.	\$60.34 Per Sq. Ft.
Service Garage	\$48.53 to \$87.21 Per Sq. Ft.	\$69.68 Per Sq. Ft.

Sales comparison calibration

The search for comparable sales was within each geographic neighborhood and expanded to include the surrounding competing neighborhoods within the geographic area. Location, quality and effective age were factors considered for adjustment.

Cost approach model description

The Marshall & Swift Commercial Estimator was used to automatically calculate cost estimates for all properties. Cost estimates were relied upon in almost every instance of exempt properties including schools, churches, fire stations and public utility buildings, and served also as value indicators for new construction projects. Cost estimates were also relied upon for special use properties where no income data or market data exists.

Cost calibration

The Marshall & Swift Valuation modeling system built into the Real Property Application is calibrated to the western region and the Seattle area. Depreciation is also based on studies done by Marshall & Swift Valuation Service.

Income capitalization approach model description

Economic income information was collected predominately from the market place. Other sources of income information include but are not limited to: sales reporting services such as 'Comps', data collected in the field (both asking and actual rates), fee appraisals, journals and publications. Economic income tables were developed to perform an income approach for properties in Area 70. Tables were created for retail, office, medical/dental office, service garage, warehouses, light industrial, and supermarkets. A 'no income' table was created to include those properties where the income approach is not applicable such as, exempt properties including schools, churches, fire stations and public utility buildings. In addition, no income approach was developed for those special use properties where no income information exists.

Income approach calibration

The tables were calibrated after setting economic rents, vacancy, expenses and capitalization rates by using adjustments based on size, effective age, and construction quality as recorded in the Assessor's records. The tables used are included in the addenda of this report.

Income parameters were derived from the market place through the listed fair market sales as well as through quarterly market surveys, published sources (i.e. Office Space Dot.Com, Commercial Brokers Association, Corporate Real Estate Websites), and opinions expressed by real estate professionals active in the market.

Vacancy rates used were derived mainly from published sources tempered by personal observation.

Expenses ratios are estimated based on industry standards and personal knowledge of the area's rental practices.

Capitalization rates are determined by personal analysis of the sales in the area on sold properties where there is income information available, and published market surveys, such as CoStar and Korpaz.

The following is a brief summary of the rents and rates used in this revalue for the major property types

Property Type	Typical Rent/SF	Annual Gross or Triple Net Rent	Annual Range/SF	Rent Vacancy/Coll. Loss %	Expense Rate per Sq.Ft./%	Overall Capitalization Rate Range
Small Office (under 20,000 SF)	\$10 - \$20	Gross	\$6 - \$22	5% - 7.5%	10% - 30%	8.5% - 12%
Larger Office (20,000 SF and over)	\$14-\$21	Gross	\$10- \$25	5% - 7.5%	\$4.00 - \$6.50/SF	8.5% - 10%
Small Warehouses (under 20,000 SF)	\$3.36- \$5.76	Triple Net	\$2.64 - \$6.72	5% - 6%	7.5% - 10%	8% - 11%
Larger Warehouses (20,000 SF and over)	\$3.12 - \$5.04	Triple Net	\$2.40 - \$6.00	5% - 6%	7.5% - 10%	8% - 11%
Retail/Mixed Use	\$10 - \$16	Triple Net	\$4.50 - \$20	5%	10%	8.5%- 12%
Service Garage	\$6.50 - \$8.00	Triple Net	\$5.00 - \$12.00	5%	10%	8.5% - 12%

Typically, Smaller Office annual rents range from \$10.00 to \$20.00 per square foot of net rentable area. The offices have annual expenses ranging from 10% to 30% of effective gross income. Vacancy and collection loss of from 5% to 7.5% is used. Overall capitalization rates range from 8.5% to 12%.

Typically, Larger Office annual rents range from \$14.00 to \$21.00 per square foot of net rentable area. The offices have typical annual expenses of from \$4.00 to \$6.50/SF of net rentable area. Vacancy and collection loss of from 5% to 7.5% is used. Overall capitalization rates range from 8.5% to 10%.

Smaller Industrial/Warehouse rents range from \$3.36 to \$5.76 per square foot of net rentable area. Vacancy and collection loss of from 5% to 6% is used. Operating expenses were estimated at from 7.5% to 10%, with capitalization rates ranging from 8% to 11%.

Larger Industrial/Warehouse rents range from \$3.12 to \$5.04 per square foot of net rentable area. Vacancy and collection loss of from 5% to 6% is used. Operating expenses were estimated at from 7.5% to 10%, with capitalization rates ranging from 8% to 11%.

Typical Retail and Mixed Use Retail have annual rents ranging from \$10.00 to \$16.00 per square foot of net rentable area. Vacancy and collection loss of 5% is used. Operating expenses were estimated at 10%, with capitalization rates ranging from 8.5% to 12%.

Typical Service Garages have annual rents ranging from \$6.50 to \$8.00 per square foot of net rentable area. Vacancy and collection loss of 5% is used. Operating expenses were estimated at 10%, with capitalization rates ranging from 8.5% to 12%.

Stratification adjustments for the parameters listed were based on quality of construction, effective age, net rentable area and location.

Reconciliation and or validation study of calibrated value models including ratio study of hold out samples.

All parcels were individually reviewed by the area appraisers for correctness of the table application before final value selected. Each appraiser can adjust any or all of the factors used to establish value by the model. The market rents as established by the income model were used as a guide in establishing the market rental rates used. The market rental rates applied varies somewhat but falls within an acceptable range of variation from the established guideline. Final value selects were reviewed by the Senior Appraisers before posting.

Model Validation

Total Value Conclusions, Recommendations and Validation:

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel is field reviewed and a value selected based on general and specific data pertaining to the parcel, the neighborhood, and the market. The Appraiser determines which available value estimate may be appropriate and may adjust by particular characteristics and conditions as they occur in the valuation area.

The new assessment level is 95.5%. The standard statistical measures of valuation performance are all within IAAO guidelines and are presented both in the Executive Summary and in the 2001 and 2002 Ratio Analysis charts included in this report.

The total assessed value for the 2001 assessment year for Area 70 was \$ 1,855,258,881. The total recommended assessed value for the 2002 assessment year \$ 1,954,408,861.

Application of these recommended values for the 2002 assessment year (taxes payable in 2003) results in an average total change from the 2001 assessments of +5.34 %. This increase is due partly to upward market changes over time and the previous assessment levels.

Note: More details and information regarding aspects of the valuations and the report are retained in the working files and folios kept in the appropriate district office.

Improved Sales Used

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
070	020	362304	9013	7,200	1661351	\$799,500	01/04/99	\$111.04	LOTTO - SHELLAN BLDG	M1	1	2	
070	040	723150	0775	11,537	1661500	\$750,000	01/08/99	\$65.01	TAYLORS AUTO BODY	CM	1	2	
070	025	125370	0070	59,220	1662337	\$2,600,000	01/13/99	\$43.90	MERLINOS MACARONI	M2	1	2	
070	020	352304	9074	60,400	1663049	\$2,551,000	01/16/99	\$42.24	SILO WAREHOUSE	CM	1	2	
070	040	000720	0032	10,926	1667994	\$550,000	02/19/99	\$50.34	AERO PLASTICS	CA	1	2	
070	025	362304	9101	15,030	1668160	\$1,100,000	02/19/99	\$73.19	WAREHOUSE BUILDING	M1	1	2	
070	030	413680	0230	1,490	1670588	\$215,000	02/22/99	\$144.30	SMALL OFFICE/RETAIL BUILDING	BC	2	2	
070	040	569600	0145	754	1670192	\$208,000	03/01/99	\$275.86	SMALL RETAIL/SHOP	CM	2	2	
070	020	883650	0020	5,245	1670931	\$800,000	03/03/99	\$152.53	RETAIL BUILDING	TU	1	2	
070	010	115720	0013	32,345	1676232	\$3,500,000	03/31/99	\$108.21	PARKSIDE OFFICE BLDG	RCM	1	2	
070	040	722400	0825	5,052	1676867	\$400,000	03/31/99	\$79.18	JEFFS AUTO REPAIR	CA	3	2	
070	040	722400	0580	6,390	1678890	\$375,000	04/05/99	\$58.69	ARNOLD'S MARKET		1	2	
070	030	413680	0135	5,606	1677849	\$350,000	04/09/99	\$62.43	RETAIL/OFFICE		2	2	
070	050	662340	0183	4,528	1682022	\$480,000	04/27/99	\$106.01	192 BUILDING	924P	1	2	
070	025	000020	0003	1,590	1682573	\$152,500	04/28/99	\$95.91	DASH COURIER	MI	1	2	
070	040	418230	0030	0	1704158	\$40,000	05/06/99	\$0.00	LANE HANGAR CONDO (UNIT 2)		1	2	
070	030	420440	0120	4,204	1687514	\$325,000	05/24/99	\$77.31	RETAIL BUILDING	CA	1	2	
070	030	182305	9189	5,000	1689513	\$665,000	05/26/99	\$133.00	FORMER BANK (RETAIL BUILDING)	CA	1	2	
070	040	418230	0040	0	1692103	\$40,000	06/18/99	\$0.00	LANE HANGER CONDO (UNIT 3)		1	2	
070	040	418230	0060	0	1692089	\$40,000	06/18/99	\$0.00	LANE HANGER CONDO (UNIT 5)		1	2	
070	040	418230	0090	0	1692085	\$35,000	06/18/99	\$0.00	LANE HANGER CONDO (UNIT 8)		1	2	
070	040	418230	0110	0	1692226	\$50,000	06/18/99	\$0.00	LANE HANGER CONDO(UNIT 10+STG C)		2	2	
070	040	418230	0130	0	1692105	\$35,000	06/18/99	\$0.00	LANE HANGER CONDO (UNIT 11)		1	2	
070	040	723150	1920	11,424	1695640	\$460,000	06/21/99	\$40.27	OFFICE/RETAIL		1	2	
070	040	418230	0010	0	1692731	\$55,000	06/22/99	\$0.00	LANE HANGER CONDO (UN 1 & STG A)		2	2	
070	040	418230	0080	0	1692727	\$35,000	06/22/99	\$0.00	LANE HANGER CONDO (UNIT 7)		1	2	
070	025	788890	0111	28,900	1694104	\$1,560,000	06/25/99	\$53.98	WAREHOUSE/LGHT MANF.	C	1	2	
070	040	723150	2320	1,755	1702101	\$170,000	07/12/99	\$96.87	TAVERN		1	2	
070	050	052205	9031	16,179	1699175	\$1,625,000	07/16/99	\$100.44	208TH STREET STATION	BCP	1	2	
070	040	784180	0065	4,666	1701668	\$540,000	07/22/99	\$115.73	OFFICE/RETAIL BUILDING	CM	1	2	
070	020	022320	0060	22,924	1703037	\$2,150,000	07/28/99	\$93.79	ANDOVER PLAZA BUILDING		1	2	
070	040	783980	0005	0	1705154	\$110,000	08/10/99	\$0.00	PARKING FOR SUNLITE RESTAURANT		1	2	
070	040	783980	0015	3,990	1705153	\$225,000	08/10/99	\$56.39	SUNLITE RESTAURANT		1	2	
070	010	918800	0145	63,138	1705362	\$7,950,000	08/18/99	\$125.91	OFFICE BUILDING	CO	1	2	
070	050	202305	9126	3,960	1708935	\$510,000	08/19/99	\$128.79	OFFICE BUILDING	CN	1	2	
070	050	322305	9084	2,131	1709705	\$320,000	09/09/99	\$150.16	SPRING GLEN VET'S CLINIC	R8-S	1	2	
070	025	000020	0008	101,496	1714936	\$8,192,000	09/13/99	\$80.71	CENTER POINTE	MI	2	2	
070	040	082305	9193	185,634	1711044	\$10,459,173	09/15/99	\$56.34	HOUSER WAY WAREHOUSES	1H	4	2	
070	040	082305	9194	28,080	1711046	\$1,221,747	09/15/99	\$43.51	HOUSER WAY WAREHOUSES	1H	1	2	
070	040	723150	2430	5,857	1713846	\$645,936	09/28/99	\$110.28	FAMILY PRACTICE CENTER		4	2	
070	020	000580	0011	4,746	1714803	\$412,000	10/06/99	\$86.81	FAMILY DOG TRAINING		1	2	

Improved Sales Used

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
070	050	292305	9158	4,562	1716790	\$695,000	10/08/99	\$152.35	RETAIL/OFFICE (FORMER BANK)	C	1	2	
070	025	062205	9120	3,712	1719904	\$437,500	10/27/99	\$117.86	OFFICE / WAREHOUSE	M2	1	2	
070	020	252304	9084	18,053	1724213	\$1,730,000	11/18/99	\$95.83	RETAIL/WAREHOUSE	M1	3	2	
070	040	172305	9134	6,427	1723766	\$527,000	11/24/99	\$82.00	OFFICE BLDG		1	2	
070	030	182305	9168	3,960	1725474	\$450,000	12/03/99	\$113.64	SEA-TAC CYCLE-YAMAHA	CA	1	2	
070	010	336590	0229	4,700	1726334	\$427,792	12/10/99	\$91.02	QUENTIN BUILDING	RCM	1	2	
070	025	788890	0175	102,138	1730059	\$6,891,235	12/21/99	\$67.47	THE BOEING COMPANY	CM	2	2	
070	050	052205	9314	0	1729493	\$575,000	12/22/99	\$0.00	15 PAD M.H. PARK	R12	1	2	
070	025	788880	0155	22,525	1728385	\$2,140,000	12/22/99	\$95.01	OFFICE/WHSE	M1	1	2	
070	020	252304	9044	9,800	1730169	\$740,000	12/28/99	\$75.51	RETAIL/WAREHOUSE	MI	1	2	
070	010	115720	0017	18,282	1729938	\$1,750,000	12/29/99	\$95.72	PARKRIDGE OFFICE BLDG	O	1	2	
070	025	788880	0440	41,200	1731438	\$1,800,000	01/11/00	\$43.69	WAREHOUSE / OFFICE	M2	1	2	
070	020	334040	6430	25,300	1731726	\$2,400,000	01/13/00	\$94.86	SHUTTLE EXPRESS BLDG.	IM	1	2	
070	010	918800	0070	116,500	1733838	\$13,545,000	01/26/00	\$116.27	WASHINGTON TECHNICAL CENTER	IM	2	2	
070	010	918800	0020	50,973	1735126	\$5,130,000	02/07/00	\$100.64	WASHINGTON TECHNICAL CENTER	IM	2	2	
070	010	918800	0100	87,303	1735127	\$9,840,155	02/07/00	\$112.71	VALLEY 405 BUSINESS PARK	IM	2	2	
070	040	783980	0035	3,000	1736615	\$290,000	02/14/00	\$96.67	DELI/MKT		1	2	
070	025	788880	0080	50,136	1738701	\$3,450,000	02/22/00	\$68.81	METEOR COMMUNICATIONS	M1	1	2	
070	040	135230	0955	2,493	1742205	\$325,000	03/09/00	\$130.37	BITNEY REALTY	CA	1	2	
070	040	784080	0125	1,500	1743679	\$230,000	03/27/00	\$153.33	DENTAL CLINIC		1	2	
070	040	380600	0085	17,440	1746478	\$700,000	04/04/00	\$40.14	RETAIL/WAREHOUSE	CA	3	2	
070	020	883650	0100	70,910	1745437	\$3,900,000	04/04/00	\$55.00	MULTI-TENANT WHSE/OFF	CM	1	2	
070	010	217200	0451	660	1745978	\$1,335,000	04/06/00	\$2,022.73	EMPIRE VIEW MOBILE HOME PARK	R12P	1	2	
070	025	362304	9050	9,905	1748144	\$750,000	04/06/00	\$75.72	INDUSTRIAL/COLD STORAGE	M2	2	2	
070	050	322305	9175	2,150	1749367	\$600,000	04/20/00	\$279.07	JIFFY LUBE	C	1	2	
070	050	322305	9059	3,242	1751218	\$320,000	05/01/00	\$98.70	2 SF RES/COML USE & 1 SF RES USE	OSO	2	2	
070	025	788890	0164	70,100	1751246	\$4,230,000	05/02/00	\$60.34	THOMPSON TILE	CM	1	2	
070	050	292305	9176	10,258	1753658	\$1,125,000	05/16/00	\$109.67	FAMILY CIRCLE LEARNING CENTER	R18S	1	2	
070	050	202305	9135	26,680	1757800	\$2,800,000	06/06/00	\$104.95	EAGLERIDGE PLACE	CN	1	2	
070	040	722930	0380	1,204	1759418	\$105,000	06/09/00	\$87.21	PETE'S AUTOMOTIVE	P1	1	2	
070	030	182305	9011	2,496	1759000	\$335,000	06/12/00	\$134.21	RETAIL BUILDING/STG GARAGE	CA	1	2	
070	050	292305	9115	4,593	1764291	\$745,000	06/29/00	\$162.20	TERRA BUILDING	CB	2	2	
070	050	202305	9090	30,000	1762734	\$3,625,000	06/30/00	\$120.83	RENTON PLAZA OFFICE BUILDING	CN	1	2	
070	030	922890	0070	14,732	1764618	\$1,050,000	07/06/00	\$71.27	OFFICE/RETAIL	CA	1	2	
070	050	292305	9030	10,472	1763812	\$1,590,000	07/07/00	\$151.83	NW MENTAL HEALTH SERVICES	C	1	2	
070	040	723150	1050	6,182	1764669	\$300,000	07/12/00	\$48.53	SERVICE GARAGE/RETAIL	CM	1	2	
070	050	142370	0922	6,136	1770994	\$625,000	08/15/00	\$101.86	CASCADE COURT OFFICE PLAZA	OS	3	2	
070	020	125380	0034	30,498	1772236	\$1,950,000	08/22/00	\$63.94	YALE BUILDING	IH	2	2	
070	040	784130	0175	17,038	1781679	\$1,700,000	09/18/00	\$99.78	OLD MILWAUKEE STATION	CD	2	2	
070	030	192305	9087	17,512	1779183	\$2,200,000	09/25/00	\$125.63	OFFICE BUILDING	IM	1	2	

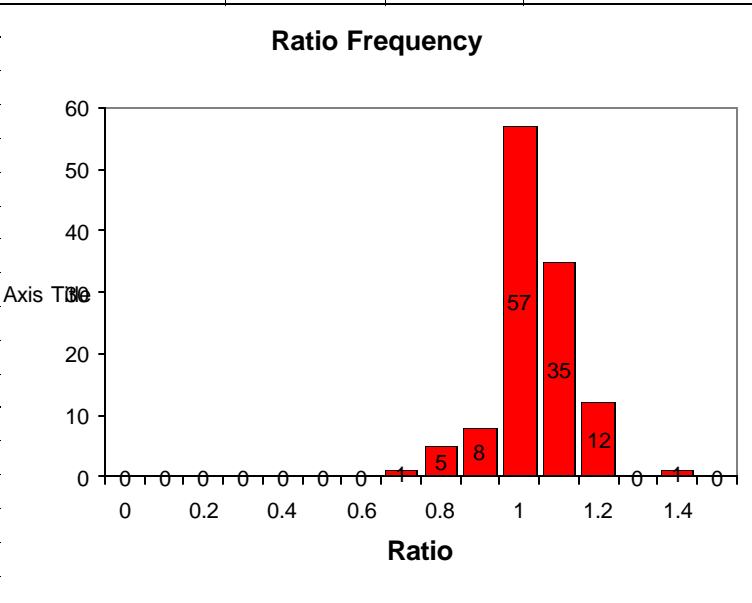
Improved Sales Used

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
070	020	022340	0042	35,032	1778226	\$2,150,000	09/27/00	\$61.37	WAREHOUSE/OFFICE	TUC	1	2	
070	025	788890	0150	14,900	1778657	\$1,160,000	09/28/00	\$77.85	OFFICE BUILDING	CM	1	2	
070	020	000580	0012	7,200	1782045	\$350,000	10/12/00	\$48.61	STORAGE WHSE	M1	1	2	
070	040	723150	1220	6,804	1782146	\$257,500	10/13/00	\$37.85	BUNKHOUSE TAVERN	CD	1	2	
070	040	082305	9217	0	1787728	\$15,228,926	11/17/00	\$0.00	BOEING PARKING LOT	IH	1	2	
070	025	788890	0121	71,450	1793626	\$3,010,500	12/01/00	\$42.13	WAREHOUSE	CM	1	2	
070	030	182305	9172	22,711	1790945	\$3,400,000	12/07/00	\$149.71	PUGET SOUND CHRYSLER PLYMOUTH	CA	2	2	
070	040	418230	0140	0	1791893	\$40,000	12/08/00	\$0.00	LANE HANGAR CONDO	P1	2	2	
070	025	788880	0210	30,000	1796718	\$2,450,000	01/11/01	\$81.67	OFFICE/WAREHOUSE (50% OFFICE)	M1	1	2	
070	025	000020	0042	63,000	1796487	\$3,287,000	01/12/01	\$52.17	WAREHOUSE	M1	1	2	
070	010	918800	0145	63,138	1796898	\$9,466,985	01/17/01	\$149.94	OFFICE BUILDING	CO	1	2	
070	010	359700	0446	4,392	1803244	\$494,500	02/12/01	\$112.59	WHITEHORSE TAVERN	RCM	3	2	
070	030	182305	9251	58,800	1804427	\$4,950,000	03/07/01	\$84.18	OFFICE BLDG	IM	1	2	
070	020	312305	9092	18,262	1808978	\$1,985,000	03/29/01	\$108.70	VALLEY 3900 BUILDING		1	2	
070	020	252304	9085	18,053	1810410	\$1,850,000	04/05/01	\$102.48	TUKWILA TRADE CENTER	C	3	2	
070	030	118000	0400	2,685	1814936	\$167,500	04/24/01	\$62.38	OFFICE/RETAIL BUILDING		1	2	
070	050	512690	0327	320	1815212	\$65,000	04/24/01	\$203.13	BARBER SHOP		1	2	
070	030	420240	1500	4,473	1816864	\$560,000	05/01/01	\$125.20	VACANT RESTAURANT BUILDING	CA	1	2	
070	025	012204	9107	59,760	1817457	\$3,700,000	05/10/01	\$61.91	WEYERHAEUSER CO	M3	1	2	
070	040	722500	0415	3,921	1818037	\$425,000	05/15/01	\$108.39	NORTH RENTON PROFESSIONAL BLDG		1	2	
070	040	784180	0155	2,947	1822374	\$237,000	05/23/01	\$80.42	RENTON FLOWER SHOP		1	2	
070	025	362304	9046	44,525	1824010	\$3,150,000	06/15/01	\$70.75	WAREHOUSE	M2	1	2	
070	020	262304	9097	30,640	1825881	\$1,900,000	06/25/01	\$62.01	WAREHOUSE	CM	1	2	
070	040	784180	0185	8,564	1829111	\$579,000	07/05/01	\$67.61	ROXY THEATRE		1	2	
070	040	722400	0230	1,728	1839245	\$160,000	08/29/01	\$92.59	OFFICE BUILDING	R-10	1	2	
070	025	125370	0070	59,220	1840322	\$3,000,000	09/06/01	\$50.66	WAREHOUSE	M2	1	2	
070	020	125380	0050	48,560	1842652	\$7,335,000	09/20/01	\$151.05	TRANSIT WAREHOUSE & SERVICE GAR	IH	2	2	
070	025	012204	9010	15,390	1845871	\$2,475,000	10/02/01	\$160.82	WAREHOUSE (EXCESS LAND)	M3	1	2	
070	025	362304	9100	21,965	1845897	\$3,100,000	10/09/01	\$141.13	PARK 8000	M1	1	2	
070	010	336590	0230	2,816	1847590	\$235,000	10/17/01	\$83.45	ASH BUILDING	RCM	1	2	
070	040	723150	1970	5,000	1850177	\$500,000	10/24/01	\$100.00	OFFICE BUILDING	CD & RM	2	2	
070	030	866350	0135	0	1855294	\$220,000	11/08/01	\$0.00	ASPHALT PARKING FOR STATION	CA	2	2	
070	040	723150	1755	5,968	1858873	\$450,000	12/14/01	\$75.40	OFFICE/RETAIL		1	2	
070	025	883660	0030	11,908	1859554	\$1,700,000	12/21/01	\$142.76	WAREHOUSE	M2	1	2	
070	030	192305	9087	17,512	1862799	\$2,090,000	01/11/02	\$119.35	OFFICE BUILDING & SMALL GARAGE	IM	1	2	
070	020	022310	0099	32,186	1864799	\$5,300,000	01/24/02	\$164.67	ANDOVER PLAZA		1	2	
070	050	756080	0010	32,740	1867407	\$5,346,000	01/31/02	\$163.29	FAIRWOOD SQUARE (PORTION)	C	3	2	
070	010	217200	0611	3,868	1868735	\$490,000	02/11/02	\$126.68	LINE RETAIL & MARKET	CBP	1	2	

Present Improvement Ratio

Quadrant/Crew:	Lien Date:	Date:		Sales Dates:																								
South Crew	1/1/2001	5/13/2002		1/14/99 - 02/11/02																								
Area	Appr ID:	Prop Type:		Trend used?: Y / N																								
70	JCOL	Improvement		N																								
SAMPLE STATISTICS																												
Sample size (n)	119	<div><div>Ratio Frequency</div><div><table><thead><tr><th>Ratio</th><th>Frequency</th></tr></thead><tbody><tr><td>0.5-0.6</td><td>3</td></tr><tr><td>0.6-0.7</td><td>3</td></tr><tr><td>0.7-0.8</td><td>4</td></tr><tr><td>0.8-0.9</td><td>5</td></tr><tr><td>0.9-1.0</td><td>12</td></tr><tr><td>1.0-1.1</td><td>60</td></tr><tr><td>1.1-1.2</td><td>24</td></tr><tr><td>1.2-1.3</td><td>8</td></tr><tr><td>1.3-1.4</td><td>0</td></tr><tr><td>1.4-1.5</td><td>0</td></tr><tr><td>1.5-1.6</td><td>0</td></tr></tbody></table></div></div>			Ratio	Frequency	0.5-0.6	3	0.6-0.7	3	0.7-0.8	4	0.8-0.9	5	0.9-1.0	12	1.0-1.1	60	1.1-1.2	24	1.2-1.3	8	1.3-1.4	0	1.4-1.5	0	1.5-1.6	0
Ratio	Frequency																											
0.5-0.6	3																											
0.6-0.7	3																											
0.7-0.8	4																											
0.8-0.9	5																											
0.9-1.0	12																											
1.0-1.1	60																											
1.1-1.2	24																											
1.2-1.3	8																											
1.3-1.4	0																											
1.4-1.5	0																											
1.5-1.6	0																											
Mean Assessed Value	1,727,000																											
Mean Sales Price	1,927,100																											
Standard Deviation AV	2,380,418																											
Standard Deviation SP	2,719,112																											
ASSESSMENT LEVEL																												
Arithmetic mean ratio	0.935																											
Median Ratio	0.973																											
Weighted Mean Ratio	0.896																											
UNIFORMITY																												
Lowest ratio	0.4488																											
Highest ratio:	1.1664																											
Coefficient of Dispersion	9.04%																											
Standard Deviation	0.1413																											
Coefficient of Variation	15.11%																											
Price-related Differential	1.04																											
RELIABILITY																												
95% Confidence: Median																												
Lower limit	0.961																											
Upper limit	0.982	<div>These figures reflect the 2001 assessed values compared to the listed sales.</div>																										
95% Confidence: Mean																												
Lower limit	0.910																											
Upper limit	0.960																											
SAMPLE SIZE EVALUATION																												
N (population size)	1028																											
B (acceptable error - in decimal)	0.05																											
S (estimated from this sample)	0.1413																											
Recommended minimum:	31																											
Actual sample size:	119																											
Conclusion:	OK																											
NORMALITY																												
Binomial Test																												
# ratios below mean:	35																											
# ratios above mean:	84																											
z:	4.400152786																											
Conclusion:	Non-normal																											
*i.e., no evidence of non-normality																												

Future Improvement Ratio

Quadrant/Crew:	Lien Date:	Date:	Sales Dates:	
South Crew	1/1/2002	5/13/2002	1/14/99 - 02/11/02	
Area	Appr ID:	Prop Type:	Trend used?: Y / N	
70	JCOL	Improvement	N	
SAMPLE STATISTICS				
Sample size (n)	119	<div>Ratio Frequency</div>  <p>A histogram showing the frequency of ratios. The x-axis is labeled 'Ratio' and ranges from 0 to 1.4. The y-axis is labeled 'Axis Title' and ranges from 0 to 60. The bars are red with black outlines. The frequencies for each ratio bin are: 0.7-0.8: 5, 0.8-0.9: 8, 0.9-1.0: 57, 1.0-1.1: 35, 1.1-1.2: 12, 1.2-1.3: 1, 1.3-1.4: 0.</p>		
Mean Assessed Value	1,841,000			
Mean Sales Price	1,927,100			
Standard Deviation AV	2,538,745			
Standard Deviation SP	2,719,112			
ASSESSMENT LEVEL				
Arithmetic mean ratio	0.988			
Median Ratio	0.986			
Weighted Mean Ratio	0.955			
UNIFORMITY				
Lowest ratio	0.6882			
Highest ratio:	1.3527			
Coefficient of Dispersion	6.47%			
Standard Deviation	0.0955			
Coefficient of Variation	9.67%			
Price-related Differential	1.03			
RELIABILITY				
95% Confidence: Median				
Lower limit	0.973			
Upper limit	1.000	<div>These figures reflect the recommended 2002 assessed values compared to the market.</div>		
95% Confidence: Mean				
Lower limit	0.971			
Upper limit	1.005			
SAMPLE SIZE EVALUATION				
N (population size)	1028			
B (acceptable error - in decimal)	0.05			
S (estimated from this sample)	0.0955			
Recommended minimum:	14			
Actual sample size:	119			
Conclusion:	OK			
NORMALITY				
Binomial Test				
# ratios below mean:	60			
# ratios above mean:	59			
z:	0			
Conclusion:	Normal*			
*i.e., no evidence of non-normality				